119TH CONGRESS
1st Session

HOUSE OF REPRESENTATIVES

REPORT
119–6

PANDEMIC UNEMPLOYMENT FRAUD ENFORCEMENT ACT

FEBRUARY 25, 2025.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. SMITH of Missouri, from the Committee on Ways and Means, submitted the following

R E P O R T

together with

DISSENTING VIEWS

[To accompany H.R. 1156]

[Including cost estimate of the Congressional Budget Office]

The Committee on Ways and Means, to whom was referred the bill (H.R. 1156) to amend the CARES Act to extend the statute of limitations for fraud under certain unemployment programs, and for other purposes, having considered the same, reports favorably thereon with an amendment and recommends that the bill as amended do pass.

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59–006

The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Pandemic Unemployment Fraud Enforcement Act".

SEC. 2. EXTENSION OF THE STATUTE OF LIMITATIONS FOR FRAUD BY INDIVIDUALS UNDER CERTAIN UNEMPLOYMENT PROGRAMS.

(a) PANDEMIC UNEMPLOYMENT ASSISTANCE.—Section 2102 of the CARES Act (15 U.S.C. 9021) is amended—

(1) by redesignating subsection (h) as subsection (i); and

(2) by inserting after subsection (g) the following new subsection:

"(h) STATUTE OF LIMITATIONS.—

"(1) IN GENERAL.—Notwithstanding any other provision of law and subject to paragraph (2), any criminal prosecution or civil enforcement action for a violation of, or conspiracy to violate, section 371, 641, 1028A, 1029, 1341, 1343, 1344, 1349, 1956, or 1957 of title 18, United States Code, or section 3729 or 3801 of title 31, United States Code, with respect to any unemployment compensation claim funded in whole or in part by pandemic unemployment assistance under this section shall be brought not later than 10 years after the date of the violation or conspiracy.

"(2) EXCEPTION.—Paragraph (1) shall not apply with respect to a criminal prosecution or civil enforcement action if the statute of limitations applicable to such criminal prosecution or civil enforcement action expired prior to the date of enactment of the Pandemic Unemployment Fraud Enforcement Act.".

(b) FEDERAL PANDEMIC UNEMPLOYMENT COMPENSATION AND MIXED EARNER UNEMPLOYMENT COMPENSATION.—Section 2104(f) of the CARES Act (15 U.S.C. 9023(f)) is amended by adding at the end the following new paragraph:

"(5) STATUTE OF LIMITATIONS.—

"(A) IN GENERAL.—Notwithstanding any other provision of law and subject to subparagraph (B), any criminal prosecution or civil enforcement action for a violation of, or conspiracy to violate, section 371, 641, 1028A, 1029, 1341, 1343, 1344, 1349, 1956, or 1957 of title 18, United States Code, or section 3729 or 3801 of title 31, United States Code, with respect to any unemployment compensation claim funded in whole or in part by Federal Pandemic Unemployment Compensation or Mixed Earner Unemployment Compensation under this section shall be brought not later than 10 years after the date of the violation or conspiracy.

"(B) EXCEPTION.—Subparagraph (A) shall not apply with respect to a criminal prosecution or civil enforcement action if the statute of limitations applicable to such criminal prosecution or civil enforcement action expired prior to the date of enactment of the Pandemic Unemployment Fraud Enforcement Act.".

(c) PANDEMIC EMERGENCY UNEMPLOYMENT COMPENSATION.—Section 2107(e) of the CARES Act (15 U.S.C. 9025(e)) is amended by adding at the end the following new paragraph:

"(5) STATUTE OF LIMITATIONS.—

"(A) IN GENERAL.—Notwithstanding any other provision of law and subject to subparagraph (B), any criminal prosecution or civil enforcement action for a violation of, or conspiracy to violate, section 371, 641, 1028A, 1029, 1341, 1343, 1344, 1349, 1956, or 1957 of title 18, United States Code, or section 3729 or 3801 of title 31, United States Code, with respect to any unemployment compensation claim funded in whole or in part by Pandemic Emergency Unemployment Compensation under this section shall be brought not later than 10 years after the date of the violation or conspiracy.

"(B) EXCEPTION.—Subparagraph (A) shall not apply with respect to a criminal prosecution or civil enforcement action if the statute of limitations applicable to such criminal prosecution or civil enforcement action expired prior to the date of enactment of the Pandemic Unemployment Fraud Enforcement Act.".

SEC. 3. BUDGET OFFSET.

Out of the unobligated balances of amounts made available by section 2118(a) of title II of division A of Public Law 116-136, as added by section 9032 of Public Law 117-2, $5,000,000 are hereby rescinded.

SEC. 4. EFFECTIVE DATE.

The amendments made by this Act shall take effect on the date of enactment of this Act.

I. SUMMARY AND BACKGROUND

A. Purpose and Summary

The bill, H.R. 1156, the "Pandemic Unemployment Fraud Enforcement Act," as ordered reported by the Committee on Ways and Means on February 12, 2025, establishes a 10-year statute of limitations for criminal prosecution and civil enforcement actions related to fraudulent unemployment claims funded by federal pandemic unemployment programs created in the Coronavirus Aid, Relief, and Economic Security (CARES) Act (P.L. 116–136). These programs include Pandemic Unemployment Assistance (PUA), Federal Pandemic Unemployment Compensation (FPUC), Mixed Earner Unemployment Compensation (MEUC), and Pandemic Emergency Unemployment Compensation (PEUC). The bill doubles the statute of limitations, which expires on March 27, 2025, from five to 10 years, allowing federal law enforcement to continue prosecuting criminals and recover billions in taxpayer dollars lost to fraud during the COVID–19 pandemic. There is a need for Congress to act before March 27, 2025, to ensure prosecution of ongoing cases; otherwise, criminal liability cannot be reimposed after a statute of limitations period has lapsed.

B. Background and Need for Legislation

In response to the COVID–19 pandemic, on March 27, 2020, Congress passed the CARES Act, creating several new temporary, federally-funded unemployment insurance (UI) programs to provide expanded unemployment benefits to jobless workers. The American Rescue Plan Act (ARPA) of 2021 (P.L. 117–2) extended these programs through September 6, 2021. Temporary programs included:

- PUA: Provided benefits to unemployed gig workers, freelancers, and other self-employed individuals not covered by regular state UI programs.
- FPUC: Provided an additional $600/week from March 2020 through July 31, 2020, for UI claimants; then $300/week from January 2021 through Sept. 4, 2021.
- MEUC: Provided benefits to "mixed-earner" unemployed workers with a combination of self-employment and W–2 earnings.
- PEUC: Provided an extra 13 weeks of benefits after state benefits ended. State benefits typically cover 26 weeks.

In a period of less than two years, federal spending on unemployment benefits through these temporary programs *totaled $675 billion*.[1] One reason for this enormous spend was the generous additional federal $600 per week (subsequently lowered to $300 per

[1] U.S. Department of Labor; Families First Coronavirus Response Act and Coronavirus Aid, Relief, and Economic Security (CARES) Act Funding to States through May 31, 2024, https://oui.doleta.gov/unemploy/docs/cares_act_funding_state.html.

week) FPUC benefits—on top of an average state benefit of approximately $380 per week. This lucrative benefit structure, combined with weak state systems (that failed to have even the most basic level of identity verification) and federal policy that allowed self-certification for PUA benefits, provided an easy target for fraudsters, prisoners, gangs, and international criminal organizations, leading to an estimated $100–$135 billion in stolen unemployment benefits.[2] Five years after passage of the CARES Act, the most recent data from the Department of Labor (DOL) shows only $5 billion of this theft, or roughly four percent, has been recovered.[3]

H.R. 1156 is a must-pass bill. Once the March 27, 2025, deadline passes, Congress cannot retroactively reimpose criminal liability after a limitations period has lapsed. The "ex post facto" clause in the Constitution prohibits retroactive application of criminal laws that could punish someone for an act that was not considered a crime when it was committed. Law enforcement agencies rely on existing statutes under the False Claims Act (criminal statutes) and Administrative Claims Act (civil forfeiture), including charges related to mail fraud, wire fraud, aggravated identity theft, money laundering, and conspiracy, to prosecute pandemic UI fraud cases. These laws generally have a five-year statute of limitations. Without extension, law enforcement will be unable to file new charges or pursue charges in cases still under review.

H.R. 1156 is responsive to law enforcement agencies and is widely supported by state workforce agencies. The Pandemic Response Accountability Committee (PRAC), Department of Justice (DOJ), Department of Labor Inspector General (DOL-OIG), and GAO have all called for extending the statute of limitations to allow more time for prosecutions.[4] In addition, the National Association of State Workforce Agencies, a non-partisan association of workforce agencies in all states, the District of Columbia, and U.S. territories has endorsed H.R. 1156.[5] Congress has already acted to extend the statute of limitations for fraud in the COVID-era Paycheck Protection Program (PPP) and Economic Injury and Disaster Loans (EIDL) program.[6] In 2022, with bi-partisan support, President Biden signed H.R. 7334, "COVID–19 EIDL Fraud Statute of Limitations Act of 2022," and H.R. 7352, "PPP and Bank Fraud Enforcement Harmonization Act of 2022," into law, which extended the statute of limitations from five to 10 years. H.R. 1156 does the same for CARES Act UI programs.

COVID–19 fraud investigations involving both UI and other federal CARES Act programs, led by DOJ, Department of Homeland Security, Department of Treasury, United States Postal Inspection Service, DOL-OIG, and Small Business Administration—Office of

[2] Government Accountability Office (GAO–23–106696). "Unemployment Insurance. Estimated Amount of Fraud during Pandemic Likely Between $100 Billion and $135 Billion," September 12, 2023.

[3] U.S. Department of Labor Employment and Training Administration. UI Recovery Rates Report, https://oui.doleta.gov/unemploy/recovery/recovery_rpt.asp.

[4] See testimony from Ways and Means Full Committee hearing, "The Greatest Theft of Taxpayer Dollars: Unchecked Unemployment Fraud," February 8, 2023. https://waysandmeans.house.gov/event/hearing-on-the-greatest-theft-of-taxpayer-dollars-unchecked-unemployment-fraud/.

[5] Letter to Chairman Jason Smith and Ranking Member Neal, dated February 11, 2025. National Association of State Workforce Agencies.

[6] H.R. 7352—"PPP and Bank Fraud Enforcement Harmonization Act of 2022," Public Law No. 117–166.

Inspector General, have resulted in significant civil and criminal forfeitures and restitution orders. According to a DOJ memo provided to Senator James Lankford (R–OK) in response to a request for technical assistance:

> *"As of the end of 2024, forfeitures in COVID-fraud linked civil administrative, civil judicial, and criminal judicial forfeiture cases resulted in the seizure of over $1.77 billion in assets, the final forfeiture of over $1.53 billion in assets, and the return of at least $642 million in forfeited assets to victimized federal, state, and private entities, with more victim recoveries being regularly processed. . . The government also obtained significant restitution orders on behalf of government and private victims. Enforcement efforts as of the end of 2024 resulted in the issuance of over $1.1 billion in total restitution orders in matters connected to COVID–19 fraud."* [7]

As recently as January, law enforcement agencies continue to prosecute cases and show recoveries. Based on information provided to the COVID Fraud Enforcement Task Force, U.S. Attorney's Offices have charged over 600 criminal UI fraud cases with approximate associated losses of over $300 million.[8] The DOL-OIG, has charged more than 2,000 individuals, resulting in over 1,400 convictions, more than 36,000 months of incarceration, and the identification of more than $47 billion in potential fraud.[9] These investigations have included fraud perpetrated by foreign crime rings including Nigerians, Canadians, and Romanians. In addition, law enforcement agencies report a large number of outstanding cases:

- As of January 28, 2025, the U.S. Attorneys' Case Management System shows 1,648 open, uncharged criminal matters identified with the COVID–19 Fraud national initiative code. This does not include any criminal matters that are exclusively handled by the Criminal, Tax, or other Main Justice division, open criminal investigations at the agency level that have not yet been presented/accepted at a U.S. Attorney's Office, or open uncharged civil cases.[10]
- According to DOL-OIG, the agency has approximately 157,000 open UI fraud complaints. In an email to Committee staff, the agency stated, "Without an extension of the statute of limitations and additional resources, the OIG will be unable to review the vast majority of the 157,000 open UI fraud complaints. We have almost 1,000 open UI fraud investigative matters assigned to our field offices." [11]

Some of the same professional fraudsters that committed fraud during the pandemic continue to target UI and other government programs, including emergency disaster unemployment assistance. During a hearing held by the Subcommittee on Work and Welfare on February 6, 2025, "Time's Running Out: Prosecuting Fraudsters

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[7] Email from DOJ to Ways and Means Committee Majority staff, dated January 14, 2025.

[8] COVID–19 Fraud Enforcement Taskforce COVID–19 Fraud Enforcement Task Force, 2024 Report, Council of the Inspectors Generals.

[9] Department of Labor Office of Inspector General. "More Than 2,000 Individuals Charged for Unemployment Insurance Fraud Since the COVID–19 Pandemic Began." (2025, Jan. 8). https://www.oig.dol.gov/public/Press%20Releases/DOL-OIG_Press_Release_Indictments_2025_0108.pdf.

[10] Ibid, January 14, 2025.

[11] Email from DOL-OIG to Ways and Means Committee Majority Staff, dated January 13, 2025.

for Stealing Billions in Unemployment Benefits from American Workers," one witness stated that it was incredibility frustrating for him to see "the same groups doing the same thing . . . they use the money for horrible things, child trafficking. They use it for drugs in our communities, they use it for terrorism . . . I'd like to tell you that things are better today, but just watching what's going on in California, seeing what happened in North Carolina, same groups, same playbook, stealing at scale." [12]

During the markup of H.R. 1156, all Democrats on the Committee voted against the bill and rejected significant efforts on the part of the Majority to compromise and introduce a bi- partisan bill prior to the markup. Unfortunately, this is a theme going back to the 117th Congress, when Ways and Means Democrats walked away from their oversight responsibilities and ignored repeated calls for hearings to investigate UI fraud when they were in control of Congress and the White House. Committee Democrats gave a number of reasons for opposing H.R. 1156, some of which were not substantively related to the bill itself and none of which were seriously defensible.

Specifically, Committee Democrats criticized the rescission of $5 million in funding provided to DOL for fraud prevention and program integrity in Section 2118 of the CARES Act. According to DOL, approximately $30 million remains unobligated from the $1 billion in funding (post rescission made in the bipartisan Fiscal Responsibility Act of 2023 (P.L. 118–5)).[13] Extending the statute of limitations is associated with some additional costs to states related to recordkeeping and administration. The CARES Act currently includes uncapped funding for any costs to states for administration of the federal CARES Act programs,[14] including costs of recordkeeping and appeals necessary for prosecutions. DOL has the authority to fully reimburse states for these costs without any additional action from Congress. The Congressional Budget Office (CBO) estimates approximately $5 million over the next five years will be spent through this mechanism. To comply with House rules, Section 3 of the bill offsets the CBO score by rescinding $5 million in unobligated, prior-year appropriations provided by Section 2118.

Committee Democrats argued rescinding $5 million from these CARES Act funds is disingenuous since those funds were provided to DOL to prevent fraud in the UI program and falsely claimed those funds were already dedicated to identity verification projects and would result in less funding for states. Under the Biden Administration, the majority of these funds were spent by DOL on "equity grants" ($260 million) and Tiger teams ($200 million). H.R. 1156 uses $5 million of that same pot of money (which DOL confirmed has in fact not been obligated) for extending the statute of limitations on pandemic UI fraud. This is arguably a much more justifiable use of funds as it is paying for a policy that provides law enforcement agencies with additional time to prosecute fraud and recoup taxpayer dollars.

Quibbling over $5 million in funding also comes across as shortsighted. Due to scorekeeping rules, CBO does not score savings as-

[12] "Three Key Moments: Hearing on Prosecuting Fraudsters for Stealing Billions in Pandemic Unemployment Benefits," Committee on Ways and Means, February 10, 2025.
[13] Email from DOL to Majority Staff, dated February 6, 2025.
[14] DOL Unemployment Insurance Program Letter No. 02–25, November 6, 2024.

sociated with additional recoupment of federal funds as a result of extending the statute of limitations. According to GAO, $100–$135 billion in pandemic unemployment benefits were lost to fraud and DOL reports show only $5 billion has been recovered. If law enforcement is able to recover even one percent more as a result of H.R. 1156 extending the statute of limitations to 10 years—that would yield at the low end $1 billion for American taxpayers. That's a 20,000-percent return on an investment of $5 million. Currently, DOJ has 1,648 open COVID–19 cases. Committee Democrats should be more concerned about what American taxpayers will *lose* if the statute of limitations is not extended, not to mention the number of criminals that will go unpunished and remain at large to continue their attacks to de-fraud federal programs.

Finally, Committee Democrats, argued that extending the time available for prosecuting fraud would lead to "surprise bills," harassment and the targeting of otherwise innocent Americans (including the elderly or a "struggling parent") who may have gotten an overpayment or received funds through administrative error or no fault of their own. Law enforcement officials are concentrating on prosecuting individuals who fraudulently and intentionally obtained large amounts of government funds, including prisoners, online scammers, international crime rings and gangs, not individuals who made honest mistakes applying for unemployment.

An even cursory review of press releases from DOJ investigations shows the agencies are prosecuting complex cases involving criminals with malicious intent to de-fraud the government (see Attachment A). This includes a litany of cases involving international crime rings using sophisticated fraud schemes, many of them sourced in Nigeria and Romania. Many cases involved instances where funds were used to purchase weapons, drugs, and involved child sex trafficking.[15] These cases have implications for stopping future fraud and associated criminal activity. In September of 2023, Maryland U.S. Attorney Erek Barron during an interview said that his office's prosecutions of COVID–19-related fraud had been responsible for a 20% reduction in the homicide rate in Baltimore.[16]

Law enforcement is also prosecuting cases aimed at disrupting large-scale international criminal networks that have created national security concerns by demonstrating links to hostile nation states. For example, a Pennsylvania man and two others recently pled guilty to obtaining $59 million in public benefits, including unemployment, and laundering the proceeds to China. Cases like this are deeply concerning and confirm fears regarding the attacks on our institutions by hostile nations.[17] These networks continue to target federal programs and divert funds away from those who need them.

H.R. 1156 extends the statute of limitations for cases exclusive to fraud with criminal intent, not innocent Americans. Furthermore, the CARES Act already explicitly provides states with broad

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[15] Pandemic Oversight Response Committee (PRAC) compilation of investigations and cases; https://pandemicoversight.gov/oversight/reports?page=1.

[16] "I–Team Exclusive: Drop in Baltimore homicides due to COVID–19 fraud prosecutions, US attorney says," WBALTV–11, September 15, 2023.

[17] "One Defendant Pleads Guilty And Two Others Charged With Fraudulently Obtaining $59 Million In Public Benefits And Laundering Proceeds To China," United States Attorneys Office Middle District of Pennsylvania, January 29, 2025.

authority to waive non-fraudulent UI overpayments. For example, the CARES Act allows state workforce agencies to waive overpayments when the overpayment is through "no-fault of the claimant" and/or repayment would be "against equity and good conscience." All of these provide protections against the scaremongering Committee Democrats have engaged in to justify opposition to this bill.

H.R. 1156 is a common-sense, straightforward bill. The "Pandemic Unemployment Fraud Enforcement Act," doubles the statute of limitations to allow law enforcement to fully prosecute criminals, secure justice for the American families who were harmed, and recoup the hundreds of billions in stolen taxpayer dollars.

C. Legislative History

BACKGROUND

H.R. 1156 was introduced on February 10, 2025, and was referred to the Committee on Ways and Means.

COMMITTEE HEARINGS

The Committee held the following hearing:

On February 6, 2025, the Committee on Ways and Means Subcommittee on Work and Welfare held a hearing titled "Time's Running Out: Prosecuting Fraudsters for Stealing Billions in Unemployment Benefits from American Workers." The purpose of the hearing was to investigate the need to extend the statute of limitations for CARES Act-related UI fraud and how fraudsters, international crime rings, and hostile nation states continue to target the UI program.

COMMITTEE ACTION

The Committee on Ways and Means marked up H.R. 1156, "Pandemic Unemployment Fraud Enforcement Act," on February 12, 2025, and ordered the bill, as amended, favorably reported (with a quorum being present).

D. Designated Hearing

Pursuant to clause 3(c)(6) of rule XIII, the following hearing was used to develop and consider H.R. 1156: "Time's Running Out: Prosecuting Fraudsters for Stealing Billions in Unemployment Benefits from American Workers," hearing held on February 6, 2025.

II. EXPLANATION OF THE BILL

REASONS FOR CHANGE

Section 1. The Committee believes the title accurately reflects the content of the bill.

Section 2. The Committee believes extending the statute of limitations for criminal prosecution and civil enforcement actions in pandemic unemployment programs from five to 10 years will give law enforcement officials the tools to hold fraudsters accountable and recover billions in taxpayer dollars.

Section 3. The Committee believes the budget offset will provide the resources necessary to reimburse any additional costs states could incur for recordkeeping and administration as a result of extending the statute of limitations.

EXPLANATION OF PROVISIONS

Section 1. This section provides the short title, Pandemic Unemployment Fraud Enforcement Act.

Section 2. This section establishes a 10-year statute of limitations for criminal prosecution and civil enforcement actions related to fraudulent unemployment claims funded in whole or in part by the following Coronavirus Aid, Relief, and Economic Security (CARES) Act (P.L. 116–136) programs: Pandemic Unemployment Assistance; Federal Pandemic Unemployment Compensation and Mixed Earner Unemployment; Compensation; and Pandemic Emergency Unemployment Compensation.

Section 3. Rescinds $5,000,000 in unobligated balances from prior year appropriations made available to the Department of Labor in Section 2118 of the CARES Act.

EFFECTIVE DATE

This bill would become effective upon enactment.

ATTACHMENT A

U.S. ATTORNEY'S OFFICE (USAO) PRESS RELEASES: UI FRAUD INTERNATIONAL NEXUS 5–17–201 TO 8–19–2024, COMPILED BY THE DEPARTMENT OF LABOR INSPECTOR GENERAL

- Nigerian Man Arrested in Alleged $10 Million Pandemic Unemployment Assistance Fraud Scheme (USAO D–MA 08/19/2024)
- Nigerian National Pleads Guilty to Romance and Pandemic Relief Fraud Scheme (USAO D–MA 07/30/2024)
- Canadian resident sentenced to 3+ years in prison for more than $1 million fraud on COVID relief programs (USAO WD–WA 03/14/2024)
- Nigerian Man Sentenced to Prison for COVID–19 Unemployment Insurance Benefits Scam (USAO ED–TN 02/22/2024)
- Citizen of Dominican Republic Sentenced to 79 Months in Prison for $16 Million COVID–19 Unemployment Benefits Fraud Scheme (USAO SD–NY 01/30/2024)
- One of two Nigerian citizens who defrauded U.S. Pandemic programs of more than $1 million pleads guilty (USAO WD–WA 12/18/2023)
- Two Nigerian Nationals Based in Maryland Sentenced for Schemes to Steal California and Other States' Unemployment Insurance Benefits (USAO ED–CA 10/10/2023)
- Nigerian citizen extradited from Germany to face charges over attempt to steal $25 million in U.S. benefits (USAO WD–WA 08/18/2023)
- Nigerian National Based in Maryland Sentenced to 4 Years and 9 Months in Prison and Nigerian House Ordered Forfeited for Schemes to Steal Unemployment Insurance Benefits (USAO ED–CA 07/25/2023)
- Romanian Citizens Arrested and Charged with Laundering $1.4 Million in Proceeds from Jewelry Thefts and Covid Fraud (USAO SD–CA 03/15/2023)

• Romanian Citizen Arrested and Charged in $5 Million Covid Relief Fraud (USAO SD–CA 03/02/2023)

• Two Nigerian citizens indicted for attempting to defraud the United States of over $25 million (USAO WD–WA 02/23/2023)

• Nigerian state official sentenced to 5 years in prison for stealing U.S. disaster aid and taxpayer refunds (USAO WD–WA 09/26/2022)

• Undocumented Individual Sentenced for Filing Fraudulent Claims in Unemployment Insurance Benefits (USAO D–NV 02/04/2022)

• Nigerian National Pleads Guilty to a COVID–19 Unemployment Fraud Scheme and an Unrelated Elder Fraud Scheme (USAO D–MD 12/20/2021)

• Dominican National Arrested for Identity Theft and Unemployment Fraud Related to COVID–19 Pandemic (USAO D–MA 12/09/2021)

• Nigerian National indicted in Washington State for fraud on COVID–19 economic relief programs (USAO WD–WA 06/24/2021)

III. VOTES OF THE COMMITTEE

In compliance with the Rules of the House of Representatives, the following statements is made concerning the vote of the Committee on Ways and Means during the markup consideration of H.R. 1156, the "Pandemic Umemployment Fraud Enforcement Act" on February 12, 2025.

The vote on the amendment offered by Mr. Thompson to the amendment in the nature of a substitute to H.R. 1156, which would strike section 3 of the bill, removing the budget offset provision was not agreed to by a roll call vote of 18 yeas to 24 nays (with a quorum being present). The vote was as follows:

Representative	Yea	Nay	Present	Representative	Yea	Nay	Present
Mr. Smith (MO)		X		Mr. Neal	X		
Mr. Buchanan		X		Mr. Doggett	X		
Mr. Smith (NE)		X		Mr. Thompson	X		
Mr. Kelly				Mr. Larson	X		
Mr. Schweikert		X		Mr. Davis	X		
Mr. LaHood		X		Ms. Sánchez	X		
Mr. Arrington		X		Ms. Sewell	X		
Mr. Estes		X		Ms. DelBene	X		
Mr. Smucker		X		Ms. Chu	X		
Mr. Hern		X		Ms. Moore	X		
Mrs. Miller		X		Mr. Boyle	X		
Dr. Murphy				Mr. Beyer	X		
Mr. Kustoff		X		Mr. Evans	X		
Mr. Fitzpatrick		X		Mr. Schneider	X		
Mr. Steube		X		Mr. Panetta	X		
Ms. Tenney		X		Mr. Gomez			
Mrs. Fischbach		X		Mr. Horsford	X		
Mr. Moore		X		Ms. Plaskett	X		
Ms. Van Duyne		X		Mr. Suozzi	X		
Mr. Feenstra		X					
Ms. Malliotakis		X					
Mr. Carey		X					
Mr. Yakym		X					
Mr. Miller		X					
Mr. Bean		X					

In compliance with the Rules of the House of Representatives, the following statement is made concerning the vote of the Committee on Ways and Means during the markup consideration of H.R. 1156, the “Pandemic Unemployment Fraud Enforcement Act,” on February 12, 2025.

H.R. 1156 was ordered favorably reported to the House of Representatives as amended by a roll call vote of 24 yeas to 18 nays (with a quorum being present). The vote was as follows:

Representative	Yea	Nay	Present	Representative	Yea	Nay	Present
Mr. Smith (MO)	X			Mr. Neal		X	
Mr. Buchanan	X			Mr. Doggett		X	
Mr. Smith (NE)	X			Mr. Thompson		X	
Mr. Kelly				Mr. Larson		X	
Mr. Schweikert	X			Mr. Davis		X	
Mr. LaHood	X			Ms. Sánchez		X	
Mr. Arrington	X			Ms. Sewell		X	
Mr. Estes	X			Ms. DelBene		X	
Mr. Smucker	X			Ms. Chu		X	
Mr. Hern	X			Ms. Moore		X	
Mrs. Miller	X			Mr. Boyle		X	
Dr. Murphy				Mr. Beyer		X	
Mr. Kustoff	X			Mr. Evans		X	
Mr. Fitzpatrick	X			Mr. Schneider		X	
Mr. Steube	X			Mr. Panetta		X	
Ms. Tenney	X			Mr. Gomez			
Mrs. Fischbach	X			Mr. Horsford		X	
Mr. Moore	X			Ms. Plaskett		X	
Ms. Van Duyne	X			Mr. Suozzi		X	
Mr. Feenstra	X						
Ms. Malliotakis	X						
Mr. Carey	X						
Mr. Yakym	X						
Mr. Miller	X						
Mr. Bean	X						
Mr. Moran	X						

IV. BUDGET EFFECTS OF THE BILL

A. Committee Estimate of Budgetary Effects

In compliance with clause 3(d) of rule XIII of the Rules of the House of Representatives, the following statement is made concerning the effects on the budget of the bill, H.R. 1156, as reported. The estimate prepared by the Congressional Budget Office (CBO), which is included below.

B. Statement Regarding New Budget Authority and Tax Expenditures Budget Authority

In compliance with clause 3(c)(2) of rule XIII of the Rules of the House of Representatives, the Committee states that the bill involves no new or increased budget authority. The Committee states further that the bill involves no new or increased tax expenditures.

C. Cost Estimate Prepared by the Congressional Budget Office

In compliance with clause 3(c)(3) of rule XIII of the Rules of the House of Representatives, requiring a cost estimate prepared by the CBO, the following statement by CBO is provided.

At a Glance

H.R. 1156, Pandemic Unemployment Fraud Enforcement Act
As ordered reported by the House Committee on Ways and Means on February 12, 2025

By Fiscal Year, Millions of Dollars	2025	2025-2030	2025-2035
Direct Spending (Outlays)	-3	*	*
Revenues	*	*	*
Increase or Decrease (-) in the Deficit	-3	*	*
Spending Subject to Appropriation (Outlays)	*	5	not estimated

Increases *net direct spending* in any of the four consecutive 10-year periods beginning in 2036?	*	Statutory pay-as-you-go procedures apply?	Yes
		Mandate Effects	
Increases *on-budget deficits* in any of the four consecutive 10-year periods beginning in 2036?	*	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No

* = between -$500,000 and $500,000.

The bill would:

- Extend the statute of limitations for federal criminal fraud charges related to unemployment compensation
- Rescind funding for program integrity activities by state unemployment insurance agencies

Estimated budgetary effects would mainly stem from:

- Increasing states' administrative costs that would be reimbursed by the Department of Labor
- Rescinding funds for program integrity activities

Bill summary: H.R. 1156 would extend the statute of limitations from 5 to 10 years for federal criminal prosecution and civil enforcement actions for fraud related to the temporary unemployment programs enacted during the coronavirus pandemic. Under current law, the statute of limitations for those offenses will begin to expire in March 2025. Currently, states refer unemployment insurance claims involving allegations of fraud to the Office of Inspector General (OIG) at the Department of Labor (DOL) for further investigation. That office reviews cases and refers findings to the Department of Justice (DOJ) or other entities for criminal or civil prosecution.

The bill also would rescind direct appropriations provided for program integrity activities in the American Rescue Plan Act of 2021.

Estimated Federal cost: The estimated budgetary effect of H.R. 1156 is shown in Table 1. The costs of the legislation fall within budget functions 500 (education training, employment, and social services), 600 (income security), and 750 (administration of justice).

TABLE 1.—ESTIMATED BUDGETARY EFFECTS OF H.R. 1156

	By fiscal year, millions of dollars—												
	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2025–2030	2025–2035
INCREASES OR DECREASES (−) IN DIRECT SPENDING													
Estimated Budget Authority	0	*	*	*	*	*	*	*	*	*	*	*	*
Estimated Outlays	−3	1	1	1	*	*	*	*	*	*	*	*	*
INCREASES IN SPENDING SUBJECT TO APPROPRIATION													
Estimated Authorization	*	2	1	1	1	*	n.e.	n.e.	n.e.	n.e.	n.e.	5	n.e.
Estimated Outlays	*	2	1	1	1	*	n.e.	n.e.	n.e.	n.e.	n.e.	5	n.e.

n.e. = not estimated; * = between −$500,000 and $500,000.
CBO estimates that enacting H.R. 1156 would increase revenues by less than $500,000 over the 2025–2035 period.

Basis of estimate: CBO assumes that the bill will be enacted in March 2025. Estimated outlays are based on historical patterns for existing and similar activities.

Direct spending and revenues: CBO estimates that enacting H.R. 1156 would increase net direct spending and revenues by less than $500,000 over the 2025–2035 period (see Table 2).

TABLE 2.—ESTIMATED CHANGES IN DIRECT SPENDING UNDER H.R. 1156

	By fiscal year, millions of dollars—												
	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2025–2030	2025–2035
INCREASES OR DECREASES (−) IN DIRECT SPENDING													
Extend the Statute of Limitations:													
Estimated Budget Authority	5	*	*	*	*	*	*	*	*	*	*	5	5
Estimated Outlays	*	3	1	1	*	*	*	*	*	*	*	5	5
Rescind Funding for Program Integrity Activities:													
Budget Authority	−5	0	0	0	0	0	0	0	0	0	0	−5	−5
Estimated Outlays	−3	−2	0	0	0	0	0	0	0	0	0	−5	−5
Total Changes:													
Estimated Budget Authority	0	*	*	*	*	*	*	*	*	*	*	*	*
Estimated Outlays	−3	1	1	1	*	*	*	*	*	*	*	*	*

* = between zero and $500,000.

Extend the statute of limitations: Upon the enactment of H.R. 1156, CBO expects that DOL would provide additional funding to states to continue their referrals of cases to DOL and provide information about those cases to the department's OIG and federal law enforcement agencies. Under current law, DOL has permanent authority to fund whatever amounts are necessary for those activities for pandemic-related programs. Using information from DOL, CBO estimates that under the bill the department would provide $5 million in additional funding to states, increasing direct spending by the same amount over the 2025–2035 period.

By extending the period for which DOJ could pursue prosecutions, CBO expects that H.R. 1156 would increase the collections of penalties and the recovery of additional benefits paid fraudulently in 2025 and subsequent years. That change would not affect state laws or rules governing the recovery of overpayments. Based on an analysis of data for similar offenses from the U.S. Sentencing Commission, CBO estimates that the increase in penalty collections would be insignificant. Criminal and civil fines are recorded in the budget as revenues; criminal fines are deposited into the Crime Victims Fund and spent without further appropriation. Thus, CBO estimates that enacting H.R. 1156 would increase revenues and the associated direct spending from penalty collections by less than $500,000 over the 2025–2035 period. Additionally, using information from DOL and DOJ, CBO estimates that any additional recoveries of overpaid benefits, which are recorded as reductions in direct spending, would be insignificant. The extent to which any additional recoveries would happen is highly uncertain.

Rescind funding for program integrity activities: The bill would rescind $5 million in mandatory funding provided in the American Rescue Plan Act to state unemployment insurance agencies for program integrity activities, which are undertaken to ensure that benefits are paid correctly. Using information from DOL, CBO estimates that the rescission would decrease direct spending by $5 million over the 2025–2035 period.

Spending Subject to appropriation: CBO assumes that if the statute of limitations were extended, more potential fraud cases would be referred to the OIG, and that office would continue to investigate cases it might otherwise have dropped. Using information from the Department of Labor, CBO estimates that the OIG would require an additional $5 million over the 2025–2030 period to handle those referrals and cases. Assuming appropriation of the estimated amounts, CBO estimates that outlays for those activities would total $5 million over the same period (see Table 1).

Pay-As-You-Go considerations: The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. CBO estimates that enacting the bill would increase direct spending by less than $500,000 over the 2025–2035 period and increase revenues by less than $500,000 in every year and over the 2025–2035 period (see Table 3).

TABLE 3.—CBO'S ESTIMATE OF THE STATUTORY PAY-AS-YOU-GO EFFECTS OF H.R. 1156, THE PANDEMIC UNEMPLOYMENT FRAUD ENFORCEMENT ACT, AS ORDERED REPORTED BY THE HOUSE COMMITTEE ON WAYS AND MEANS ON FEBURARY 12, 2025

	By fiscal year, millions of dollars—												
	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2025–2030	2025–2035
NET INCREASE OR DECREASE (−) IN OUTLAYS													
Pay-As-You-Go Effect	−3	1	1	1	0	0	0	0	0	0	0	0	0

Increase in long-term net direct spending and deficits: CBO estimates that enacting H.R. 1156 would not significantly increase net direct spending in any of the four consecutive 10-year periods beginning in 2036.

CBO estimates that enacting H.R. 1156 would not significantly increase on-budget deficits in any of the four consecutive 10-year periods beginning in 2036.

Mandates: The bill contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act.

Estimate prepared by: Federal costs: Jeremy Crimm (Department of Justice), Meredith Decker (Department of Labor); Mandates: Erich Dvorak.

Estimate reviewed by: Elizabeth Cove Delisle, Chief, Income Security Cost Estimates Unit; Justin Humphrey, Chief, Finance, Housing, and Education Cost Estimates Unit; Kathleen FitzGerald, Chief, Public and Private Mandates Unit; Christina Hawley Anthony, Deputy Director of Budget Analysis; H. Samuel Papenfuss, Deputy Director of Budget Analysis.

Estimate approved by: Phillip L. Swagel, Director, Congressional Budget Office.

V. OTHER MATTERS TO BE DISCUSSED UNDER THE RULES OF THE HOUSE

A. Committee Oversight Findings and Recommendations

With respect to clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the Committee made findings and recommendations that are reflected in this report.

B. Statement of General Performance Goals and Objectives

With respect to clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the Committee advises that the bill does not authorize funding, so no statement of general performance goals and objectives is required.

C. Information Relating to Unfunded Mandates

This information is provided in accordance with section 423 of the Unfunded Mandates Reform Act of 1995 (Pub. L. No. 104–4).

The Committee has determined that the bill does not contain Federal mandates on the private sector. The Committee has determined that the bill does not impose a Federal intergovernmental mandate on State, local, or tribal governments.

D. Congressional Earmarks, Limited Tax Benefits, and Limited Tariff Benefits

With respect to clause 9 of rule XXI of the Rules of the House of Representatives, the Committee has carefully reviewed the provisions of the bill, and states that the provisions of the bill do not contain any congressional earmarks, limited tax benefits, or limited tariff benefits within the meaning of the rule.

E. Tax Complexity Analysis

Pursuant to clause 3(h)(1) of rule XIII of the Rules of the House of Representatives, the staff of the Joint Committee on Taxation has determined that a complexity analysis is not required under section 4022(b) of the IRS Reform Act because the bill contains no provisions that amend the Internal Revenue Code of 1986 and that have "widespread applicability" to individuals or small businesses, within the meaning of the rule.

F. Duplication of Federal Programs

In compliance with clause 3(c)(5) of rule XIII of the Rules of the House of Representatives, the Committee states that no provision of the bill establishes or reauthorizes: (1) a program of the Federal Government known to be duplicative of another Federal program; (2) a program included in any report from the Government Accountability Office to Congress pursuant to section 21 of Public Law 111–139; or (3) a program related to a program identified in the most recent Catalog of Federal Domestic Assistance, published pursuant to the Federal Program Information Act (Pub. L. No. 95–220, as amended by Pub. L. No. 98–169).

VI. CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

A. Changes in Existing Law Proposed by the Bill, as Reported

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows.

Changes in Existing Law Made by the Bill, as Reported

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, and existing law in which no change is proposed is shown in roman):

CARES ACT

* * * * * * *

DIVISION A—KEEPING WORKERS PAID AND EMPLOYED, HEALTH CARE SYSTEM ENHANCEMENTS, AND ECONOMIC STABILIZATION

* * * * * * *

TITLE II—ASSISTANCE FOR AMERICAN WORKERS, FAMILIES, AND BUSINESSES

Subtitle A—Unemployment Insurance Provisions

* * * * * * *

SEC. 2102. PANDEMIC UNEMPLOYMENT ASSISTANCE.

(a) DEFINITIONS.—In this section:

(1) COVID-19.—The term "COVID-19" means the 2019 Novel Coronavirus or 2019-nCoV.

(2) COVID-19 PUBLIC HEALTH EMERGENCY.—The term "COVID-19 public health emergency" means the public health emergency declared by the Secretary of Health and Human Services on January 27, 2020, with respect to the 2019 Novel Coronavirus.

(3) COVERED INDIVIDUAL.—The term "covered individual"—

(A) means an individual who—

(i) is not eligible for regular compensation or extended benefits under State or Federal law or pandemic emergency unemployment compensation under section 2107, including an individual who has exhausted all rights to regular unemployment or extended benefits under State or Federal law or pandemic emergency unemployment compensation under section 2107;

(ii) provides self-certification that the individual—

(I) is otherwise able to work and available for work within the meaning of applicable State law, except the individual is unemployed, partially unemployed, or unable or unavailable to work because—

(aa) the individual has been diagnosed with COVID-19 or is experiencing symptoms of COVID-19 and seeking a medical diagnosis;

(bb) a member of the individual's household has been diagnosed with COVID-19;

(cc) the individual is providing care for a family member or a member of the individual's household who has been diagnosed with COVID-19;

(dd) a child or other person in the household for which the individual has primary caregiving responsibility is unable to attend school or another facility that is closed as a direct result of the COVID-19 public health emergency and such school or facility care is required for the individual to work;

(ee) the individual is unable to reach the place of employment because of a quarantine imposed as a direct result of the COVID-19 public health emergency;

(ff) the individual is unable to reach the place of employment because the individual has been advised by a health care provider to self-quarantine due to concerns related to COVID-19;

(gg) the individual was scheduled to commence employment and does not have a job or is unable to reach the job as a direct result of the COVID-19 public health emergency;

(hh) the individual has become the breadwinner or major support for a household because the head of the household has died as a direct result of COVID-19;

(ii) the individual has to quit his or her job as a direct result of COVID-19;

(jj) the individual's place of employment is closed as a direct result of the COVID-19 public health emergency; or

(kk) the individual meets any additional criteria established by the Secretary for unemployment assistance under this section; or

(II) is self-employed, is seeking part-time employment, does not have sufficient work history, or otherwise would not qualify for regular unemployment or extended benefits under State or Federal law or pandemic emergency unemployment compensation under section 2107 and meets the requirements of subclause (I); and

(iii) provides documentation to substantiate employment or self-employment or the planned commencement of employment or self-employment not later than 21 days after the later of the date on which the individual submits an application for pandemic unemployment assistance under this section or the date on which an individual is directed by the State Agency to submit such documentation in accordance with section 625.6(e) of title 20, Code of Federal Regulations, or any successor thereto, except that such deadline may be extended if the individual has shown good cause under applicable State law for failing to submit such documentation; and

(B) does not include—

(i) an individual who has the ability to telework with pay; or

(ii) an individual who is receiving paid sick leave or other paid leave benefits, regardless of whether the individual meets a qualification described in items (aa) through (kk) of subparagraph (A)(i)(I).

(4) SECRETARY.—The term "Secretary" means the Secretary of Labor.

(5) STATE.—The term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau.

(b) ASSISTANCE FOR UNEMPLOYMENT AS A RESULT OF COVID-19.—Subject to subsection (c), the Secretary shall provide to any covered individual unemployment benefit assistance while such individual is unemployed, partially unemployed, or unable to work for the weeks of such unemployment with respect to which the individual is not entitled to any other unemployment compensation (as that term is defined in section 85(b) of title 26, United States Code) or waiting period credit.

(c) APPLICABILITY.—

(1) IN GENERAL.—Except as provided in paragraph (2), the assistance authorized under subsection (b) shall be available to a covered individual—

(A) for weeks of unemployment, partial unemployment, or inability to work caused by COVID-19—

(i) beginning on or after January 27, 2020; and

(ii) ending on or before September 6, 2021; and

(B) subject to subparagraph (A)(ii), as long as the covered individual's unemployment, partial unemployment, or inability to work caused by COVID-19 continues.

(2) LIMITATION ON DURATION OF ASSISTANCE.—The total number of weeks for which a covered individual may receive assistance under this section shall not exceed 79 weeks and such total shall include any week for which the covered individual received regular compensation or extended benefits under any Federal or State law, except that if after the date of enactment of this Act, the duration of extended benefits is extended, the 79-week period described in this paragraph shall be extended by the number of weeks that is equal to the number of weeks by which the extended benefits were extended.

(3) ASSISTANCE FOR UNEMPLOYMENT BEFORE DATE OF ENACTMENT.—The Secretary shall establish a process for making assistance under this section available for weeks beginning on or after January 27, 2020, and before the date of enactment of this Act.

(5) APPEALS BY AN INDIVIDUAL.—

(A) IN GENERAL.—An individual may appeal any determination or redetermination regarding the rights to pandemic unemployment assistance under this section made by the State agency of any of the States.

(B) PROCEDURE.—All levels of appeal filed under this paragraph in the 50 states, the District of Columbia, the Commonwealth of Puerto Rico, and the Virgin Islands—

(i) shall be carried out by the applicable State that made the determination or redetermination; and

(ii) shall be conducted in the same manner and to the same extent as the applicable State would conduct appeals of determinations or redeterminations regarding rights to regular compensation under State law.

(C) PROCEDURE FOR CERTAIN TERRITORIES.—With respect to any appeal filed in Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Federated States of Micronesia, Republic of the Marshall Islands, and the Republic of Palau—

(i) lower level appeals shall be carried out by the applicable entity within the State;

(ii) if a higher level appeal is allowed by the State, the higher level appeal shall be carried out by the applicability entity within the State; and

(iii) appeals described in clauses (i) and (ii) shall be conducted in the same manner and to the same extent as appeals of regular unemployment compensation are conducted under the unemployment compensation law of Hawaii.

(6) CONTINUED ELIGIBILITY FOR ASSISTANCE.—As a condition of continued eligibility for assistance under this section, a covered individual shall submit a recertification to the State for each week after the individual's 1st week of eligibility that certifies that the individual remains an individual described in subsection (a)(3)(A)(ii) for such week.

(d) AMOUNT OF ASSISTANCE.—

(1) IN GENERAL.—The assistance authorized under subsection (b) for a week of unemployment, partial unemployment, or inability to work shall be—

(A)(i) the weekly benefit amount authorized under the unemployment compensation law of the State where the covered individual was employed, except that the amount may not be less than the minimum weekly benefit amount described in section 625.6 of title 20, Code of Federal Regulations, or any successor thereto; and

(ii) the amount of Federal Pandemic Unemployment Compensation under section 2104; and

(B) in the case of an increase of the weekly benefit amount after the date of enactment of this Act, increased in an amount equal to such increase.

(2) CALCULATIONS OF AMOUNTS FOR CERTAIN COVERED INDIVIDUALS.—In the case of a covered individual who is self-employed, who lives in a territory described in subsection (c) or (d) of section 625.6 of title 20, Code of Federal Regulations, or who would not otherwise qualify for unemployment compensation under State law, the assistance authorized under subsection (b) for a week of unemployment shall be calculated in accordance with section 625.6 of title 20, Code of Federal Regulations, or any successor thereto, and shall be increased by the amount of Federal Pandemic Unemployment Compensation under section 2104.

(3) ALLOWABLE METHODS OF PAYMENT.—Any assistance provided for in accordance with paragraph (1)(A)(ii) shall be payable either—

(A) as an amount which is paid at the same time and in the same manner as the assistance provided for in paragraph (1)(A)(i) is payable for the week involved; or

(B) at the option of the State, by payments which are made separately from, but on the same weekly basis as, any assistance provided for in paragraph (1)(A)(i).

(4) WAIVER AUTHORITY.—In the case of individuals who have received amounts of pandemic unemployment assistance to which they were not entitled, the State shall require such individuals to repay the amounts of such pandemic unemployment assistance to the State agency, except that the State agency may waive such repayment if it determines that—

(A) the payment of such pandemic unemployment assistance was without fault on the part of any such individual; and

(B) such repayment would be contrary to equity and good conscience.

(e) WAIVER OF STATE REQUIREMENT.—Notwithstanding State law, for purposes of assistance authorized under this section, compensation under this Act shall be made to an individual otherwise eligible for such compensation without any waiting period.

(f) AGREEMENTS WITH STATES.—

(1) IN GENERAL.—The Secretary shall provide the assistance authorized under subsection (b) through agreements with States which, in the judgment of the Secretary, have an adequate system for administering such assistance through existing State agencies, including procedures for identity verification or validation and for timely payment, to the extent reasonable and practicable.

(2) PAYMENTS TO STATES.—There shall be paid to each State which has entered into an agreement under this subsection an amount equal to 100 percent of—

(A) the total amount of assistance provided by the State pursuant to such agreement; and

(B) any additional administrative expenses incurred by the State by reason of such agreement (as determined by the Secretary), including any administrative expenses necessary to facilitate processing of applications for assistance under this section online or by telephone rather than in-person and expenses related to identity verification or validation and timely and accurate payment.

(3) TERMS OF PAYMENTS.—Sums payable to any State by reason of such State's having an agreement under this subsection shall be payable, either in advance or by way of reimbursement (as determined by the Secretary), in such amounts as the Secretary estimates the State will be entitled to receive under this subsection for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that his estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency of the State involved.

(g) FUNDING.—

(1) ASSISTANCE.—

(A) IN GENERAL.—Funds in the extended unemployment compensation account (as established by section 905(a) of the Social Security Act (42 U.S.C. 1105(a)) of the Unemployment Trust Fund (as established by section 904(a) of such Act (42 U.S.C. 1104(a)) shall be used to make payments to States pursuant to subsection (f)(2)(A).

(B) TRANSFER OF FUNDS.—Notwithstanding any other provision of law, the Secretary of the Treasury shall transfer from the general fund of the Treasury (from funds not otherwise appropriated) to the extended unemployment compensation account such sums as the Secretary of Labor estimates to be necessary to make payments described in subparagraph (A). There are appropriated from the general fund of the Treasury, without fiscal year limitation, the sums referred to in the preceding sentence and such sums shall not be required to be repaid.

(2) ADMINISTRATIVE EXPENSES.—

(A) IN GENERAL.—Funds in the employment security administration account (as established by section 901(a) of the Social Security Act (42 U.S.C. 1105(a)) of the Unemployment Trust Fund (as established by section 904(a) of such Act (42 U.S.C. 1104(a)) shall be used to make payments to States pursuant to subsection (f)(2)(B).

(B) TRANSFER OF FUNDS.—Notwithstanding any other provision of law, the Secretary of the Treasury shall transfer from the general fund of the Treasury (from funds not otherwise appropriated) to the employment security administration account such sums as the Secretary of Labor estimates to be necessary to make payments described in subparagraph (A). There are appropriated from the general fund of the Treasury, without fiscal year limitation, the sums referred to in the preceding sentence and such sums shall not be required to be repaid.

(3) CERTIFICATIONS.—The Secretary of Labor shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under paragraphs (1) and (2).

(h) STATUTE OF LIMITATIONS.—

(1) IN GENERAL.—Notwithstanding any other provision of law and subject to paragraph (2), any criminal prosecution or civil enforcement action for a violation of, or conspiracy to violate, section 371, 641, 1028A, 1029, 1341, 1343, 1344, 1349, 1956, or 1957 of title 18, United States Code, or section 3729 or 3801 of title 31, United States Code, with respect to any unemployment compensation claim funded in whole or in part by pandemic unemployment assistance under this section shall be brought not later than 10 years after the date of the violation or conspiracy.

(2) EXCEPTION.—Paragraph (1) shall not apply with respect to a criminal prosecution or civil enforcement action if the statute of limitations applicable to such criminal prosecution or civil enforcement action expired prior to the date of enactment of the Pandemic Unemployment Fraud Enforcement Act.

[(h)] *(i)* RELATIONSHIP BETWEEN PANDEMIC UNEMPLOYMENT ASSISTANCE AND DISASTER UNEMPLOYMENT ASSISTANCE.—Except as otherwise provided in this section or to the extent there is a conflict between this section and part 625 of title 20, Code of Federal Regulations, such part 625 shall apply to this section as if—

(1) the term "COVID-19 public health emergency" were substituted for the term "major disaster" each place it appears in such part 625; and

(2) the term "pandemic" were substituted for the term "disaster" each place it appears in such part 625.

* * * * * * *

SEC. 2104. EMERGENCY INCREASE IN UNEMPLOYMENT COMPENSATION BENEFITS.

(a) FEDERAL-STATE AGREEMENTS.—Any State which desires to do so may enter into and participate in an agreement under this section with the Secretary of Labor (in this section referred to as the "Secretary"). Any State which is a party to an agreement under this section may, upon providing 30 days' written notice to the Secretary, terminate such agreement.

(b) PROVISIONS OF AGREEMENT.—

(1) FEDERAL PANDEMIC UNEMPLOYMENT COMPENSATION.—Any agreement under this section shall provide that the State agency of the State will make payments of regular compensation to individuals in amounts and to the extent that they would be determined if the State law of the State were applied, with respect to any week for which the individual is (disregarding this section) otherwise entitled under the State law to receive regular compensation, as if such State law had been modified in a manner such that the amount of regular compensation (including dependents' allowances) payable for any week shall be equal to—

(A) the amount determined under the State law (before the application of this paragraph), plus

(B) an additional amount equal to the amount specified in paragraph (3) (in this section referred to as "Federal Pandemic Unemployment Compensation"), plus

(C) an additional amount of $100 (in this section referred to as "Mixed Earner Unemployment Compensation") in any case in which the individual received at least $5,000 of self-employment income (as defined in section 1402(b) of the Internal Revenue Code of 1986) in the most recent taxable year ending prior to the individual's application for regular compensation.

(2) ALLOWABLE METHODS OF PAYMENT.—Any Federal Pandemic Unemployment Compensation or Mixed Earner Unemployment Compensation provided for in accordance with paragraph (1) shall be payable either—

(A) as an amount which is paid at the same time and in the same manner as any regular compensation otherwise payable for the week involved; or

(B) at the option of the State, by payments which are made separately from, but on the same weekly basis as, any regular compensation otherwise payable.

(3) AMOUNT OF FEDERAL PANDEMIC UNEMPLOYMENT COMPENSATION.—

(A) IN GENERAL.—The amount specified in this paragraph is the following amount:

(i) For weeks of unemployment beginning after the date on which an agreement is entered into under this section and ending on or before July 31, 2020, $600.

(ii) For weeks of unemployment beginning after December 26, 2020 (or, if later, the date on which such agreement is entered into), and ending on or before September 6, 2021, $300.

(4) CERTAIN DOCUMENTATION REQUIRED.—An agreement under this section shall include a requirement, similar to the

requirement under section 2102(a)(3)(A)(iii), for the substantiation of self-employment income with respect to each applicant for Mixed Earner Unemployment Compensation under paragraph (1)(C).

(c) NONREDUCTION RULE.—

(1) IN GENERAL.—An agreement under this section shall not apply (or shall cease to apply) with respect to a State upon a determination by the Secretary that the method governing the computation of regular compensation under the State law of that State has been modified in a manner such that the number of weeks (the maximum benefit entitlement), or the average weekly benefit amount, of regular compensation which will be payable during the period of the agreement (determined disregarding any Federal Pandemic Unemployment Compensation or Mixed Earner Unemployment Compensation) will be less than the number of weeks, or the average weekly benefit amount, of the average weekly benefit amount of regular compensation which would otherwise have been payable during such period under the State law, as in effect on January 1, 2020.

(2) MAXIMUM BENEFIT ENTITLEMENT.—In paragraph (1), the term "maximum benefit entitlement" means the amount of regular unemployment compensation payable to an individual with respect to the individual's benefit year.

(d) PAYMENTS TO STATES.—

(1) IN GENERAL.—

(A) FULL REIMBURSEMENT.—There shall be paid to each State which has entered into an agreement under this section an amount equal to 100 percent of—

(i) the total amount of Federal Pandemic Unemployment Compensation and Mixed Earner Unemployment Compensation paid to individuals by the State pursuant to such agreement; and

(ii) any additional administrative expenses incurred by the State by reason of such agreement (as determined by the Secretary).

(B) TERMS OF PAYMENTS.—Sums payable to any State by reason of such State's having an agreement under this section shall be payable, either in advance or by way of reimbursement (as determined by the Secretary), in such amounts as the Secretary estimates the State will be entitled to receive under this section for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that his estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency of the State involved.

(2) CERTIFICATIONS.—The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this section.

(3) APPROPRIATION.—There are appropriated from the general fund of the Treasury, without fiscal year limitation, such sums as may be necessary for purposes of this subsection.

(e) APPLICABILITY.—An agreement entered into under this section shall apply—

(1) to weeks of unemployment beginning after the date on which such agreement is entered into and ending on or before July 31, 2020; and

(2) to weeks of unemployment beginning after December 26, 2020 (or, if later, the date on which such agreement is entered into), and ending on or before September 6, 2021.

(f) FRAUD AND OVERPAYMENTS.—

(1) IN GENERAL.—If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure such individual has received an amount of Federal Pandemic Unemployment Compensation or Mixed Earner Unemployment Compensation to which such individual was not entitled, such individual—

(A) shall be ineligible for further Federal Pandemic Unemployment Compensation or Mixed Earner Unemployment Compensation in accordance with the provisions of the applicable State unemployment compensation law relating to fraud in connection with a claim for unemployment compensation; and

(B) shall be subject to prosecution under section 1001 of title 18, United States Code.

(2) REPAYMENT.—In the case of individuals who have received amounts of Federal Pandemic Unemployment Compensation or Mixed Earner Unemployment Compensation to which they were not entitled, the State shall require such individuals to repay the amounts of such Federal Pandemic Unemployment Compensation or Mixed Earner Unemployment Compensation to the State agency, except that the State agency may waive such repayment if it determines that—

(A) the payment of such Federal Pandemic Unemployment Compensation or Mixed Earner Unemployment Compensation was without fault on the part of any such individual; and

(B) such repayment would be contrary to equity and good conscience.

(3) RECOVERY BY STATE AGENCY.—

(A) IN GENERAL.—The State agency shall recover the amount to be repaid, or any part thereof, by deductions from any Federal Pandemic Unemployment Compensation or Mixed Earner Unemployment Compensation payable to such individual or from any unemployment compensation payable to such individual under any State or Federal unemployment compensation law administered by the State agency or under any other State or Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the 3-year period after the date such individuals received the payment of the Federal Pandemic Unemployment Compensation or Mixed Earner Unemployment Compensation to which they were not entitled, in accordance with the same procedures as apply to the recovery of overpayments of regular unemployment benefits paid by the State.

(B) OPPORTUNITY FOR HEARING.—No repayment shall be required, and no deduction shall be made, until a determination has been made, notice thereof and an opportunity for a fair hearing has been given to the individual, and the determination has become final.

(4) REVIEW.—Any determination by a State agency under this section shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in that manner and to that extent.

(5) STATUTE OF LIMITATIONS.—

(A) IN GENERAL.—Notwithstanding any other provision of law and subject to subparagraph (B), any criminal prosecution or civil enforcement action for a violation of, or conspiracy to violate, section 371, 641, 1028A, 1029, 1341, 1343, 1344, 1349, 1956, or 1957 of title 18, United States Code, or section 3729 or 3801 of title 31, United States Code, with respect to any unemployment compensation claim funded in whole or in part by Federal Pandemic Unemployment Compensation or Mixed Earner Unemployment Compensation under this section shall be brought not later than 10 years after the date of the violation or conspiracy.

(B) EXCEPTION.—Subparagraph (A) shall not apply with respect to a criminal prosecution or civil enforcement action if the statute of limitations applicable to such criminal prosecution or civil enforcement action expired prior to the date of enactment of the Pandemic Unemployment Fraud Enforcement Act.

(g) APPLICATION TO OTHER UNEMPLOYMENT BENEFITS.—Each agreement under this section shall include provisions to provide that—

(1) the purposes of the preceding provisions of this section, as such provisions apply with respect to Federal Pandemic Unemployment Compensation, shall be applied with respect to unemployment benefits described in subsection (i)(2) to the same extent and in the same manner as if those benefits were regular compensation; and

(2) the purposes of the preceding provisions of this section, as such provisions apply with respect to Mixed Earner Unemployment Compensation, shall be applied with respect to unemployment benefits described in subparagraph (A), (B), (D), or (E) of subsection (i)(2) to the same extent and in the same manner as if those benefits were regular compensation.

(h) DISREGARD OF ADDITIONAL COMPENSATION FOR PURPOSES OF MEDICAID AND CHIP.—The monthly equivalent of any Federal pandemic unemployment compensation paid to an individual under this section shall be disregarded when determining income for any purpose under the programs established under titles XIX and title XXI of the Social Security Act (42 U.S.C. 1396 et seq., 1397aa et seq.).

(i) DEFINITIONS.—For purposes of this section—

(1) the terms "compensation", "regular compensation", "benefit year", "State", "State agency", "State law", and "week" have the respective meanings given such terms under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note); and

(2) any reference to unemployment benefits described in this paragraph shall be considered to refer to—

(A) extended compensation (as defined by section 205 of the Federal-State Extended Unemployment Compensation Act of 1970);

(B) regular compensation (as defined by section 85(b) of the Internal Revenue Code of 1986) provided under any program administered by a State under an agreement with the Secretary;

(C) pandemic unemployment assistance under section 2102;

(D) pandemic emergency unemployment compensation under section 2107; and

(E) short-time compensation under a short-time compensation program (as defined in section 3306(v) of the Internal Revenue Code of 1986).

* * * * * * *

SEC. 2107. PANDEMIC EMERGENCY UNEMPLOYMENT COMPENSATION.

(a) FEDERAL-STATE AGREEMENTS.—

(1) IN GENERAL.—Any State which desires to do so may enter into and participate in an agreement under this section with the Secretary of Labor (in this section referred to as the "Secretary"). Any State which is a party to an agreement under this section may, upon providing 30 days' written notice to the Secretary, terminate such agreement.

(2) PROVISIONS OF AGREEMENT.—Any agreement under paragraph (1) shall provide that the State agency of the State will make payments of pandemic emergency unemployment compensation to individuals who—

(A) have exhausted all rights to regular compensation under the State law or under Federal law with respect to a benefit year (excluding any benefit year that ended before July1, 2019);

(B) have no rights to regular compensation with respect to a week under such law or any other State unemployment compensation law or to compensation under any other Federal law;

(C) are not receiving compensation with respect to such week under the unemployment compensation law of Canada; and

(D) are able to work, available to work, and actively seeking work.

(3) EXHAUSTION OF BENEFITS.—For purposes of paragraph (2)(A), an individual shall be deemed to have exhausted such individual's rights to regular compensation under a State law when—

(A) no payments of regular compensation can be made under such law because such individual has received all regular compensation available to such individual based on employment or wages during such individual's base period; or

(B) such individual's rights to such compensation have been terminated by reason of the expiration of the benefit year with respect to which such rights existed.

(4) WEEKLY BENEFIT AMOUNT, ETC.—For purposes of any agreement under this section—

(A) the amount of pandemic emergency unemployment compensation which shall be payable to any individual for any week of total unemployment shall be equal to—

(i) the amount of the regular compensation (including dependents' allowances) payable to such individual during such individual's benefit year under the State law for a week of total unemployment;

(ii) the amount of Federal Pandemic Unemployment Compensation under section 2104(b)(1)(B); and

(iii) the amount (if any) of Mixed Earner Unemployment Compensation under section 2104(b)(1)(C);

(B) the terms and conditions of the State law which apply to claims for regular compensation and to the payment thereof (including terms and conditions relating to availability for work, active search for work, and refusal to accept work) shall apply to claims for pandemic emergency unemployment compensation and the payment thereof, except where otherwise inconsistent with the provisions of this section or with the regulations or operating instructions of the Secretary promulgated to carry out this section;

(C) the maximum amount of pandemic emergency unemployment compensation payable to any individual for whom an pandemic emergency unemployment compensation account is established under subsection (b) shall not exceed the amount established in such account for such individual; and

(D) the allowable methods of payment under section 2104(b)(2) shall apply to payments of amounts described in subparagraph (A)(ii).

(5) COORDINATION RULES.—

(A) IN GENERAL.—Subject to subparagraph (B), an agreement under this section shall apply with respect to a State only upon a determination by the Secretary that, under the State law or other applicable rules of such State, the payment of extended compensation for which an individual is otherwise eligible must be deferred until after the payment of any pandemic emergency unemployment compensation under subsection (b) for which the individual is concurrently eligible.

(B) SPECIAL RULE.—In the case of an individual who is receiving extended compensation under the State law for the week that includes the date of enactment of this subparagraph (without regard to the amendments made by subsections (a) and (b) of section 206 of the Continued Assistance for Unemployed Workers Act of 2020) or for the week that includes the date of enactmentof the American Rescue Plan Act of 2021 (without regard to theamendments made by subsections (a) and (b) of section 9016 ofsuch Act), such individual shall not be eligible to receive pandemic emergency unemployment compensation by reason of such amendments until such individual has exhausted all rights to such extended benefits.

(6) NONREDUCTION RULE.—

(A) IN GENERAL.—An agreement under this section shall not apply (or shall cease to apply) with respect to a State upon a determination by the Secretary that the method governing the computation of regular compensation under the State law of that State has been modified in a manner such that the number of weeks (the maximum benefit entitlement), or the average weekly benefit amount, of regular compensation which will be payable during the period of the agreement will be less than the number of weeks, or the average weekly benefit amount, of the average weekly benefit amount of regular compensation which would otherwise have been payable during such period under the State law, as in effect on January 1, 2020.

(B) MAXIMUM BENEFIT ENTITLEMENT.—In subparagraph (A), the term "maximum benefit entitlement" means the amount of regular unemployment compensation payable to an individual with respect to the individual's benefit year.

(7) ACTIVELY SEEKING WORK.—

(A) IN GENERAL.—Subject to subparagraph (C), for purposes of paragraph (2)(D), the term "actively seeking work" means, with respect to any individual, that such individual—

(i) is registered for employment services in such a manner and to such extent as prescribed by the State agency;

(ii) has engaged in an active search for employment that is appropriate in light of the employment available in the labor market, the individual's skills and capabilities, and includes a number of employer contacts that is consistent with the standards communicated to the individual by the State;

(iii) has maintained a record of such work search, including employers contacted, method of contact, and date contacted; and

(iv) when requested, has provided such work search record to the State agency.

(B) FLEXIBILITY.—Notwithstanding the requirements under subparagraph (A) and paragraph (2)(D), a State shall provide flexibility in meeting such requirements in case of individuals unable to search for work because of COVID-19, including because of illness, quarantine, or movement restriction.

(8) SPECIAL RULE FOR EXTENDED COMPENSATION.—At the option of a State, for any weeks of unemployment beginning after the date of the enactment of this paragraph and before September 6, 2021, an individual's eligibility period (as described in section 203(c) of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note)) shall, for purposes of any determination of eligibility for extended com-

pensation under the State law of such State, be considered to include any week which begins—

(A) after the date as of which such individual exhausts all rights to pandemic emergency unemployment compensation; and

(B) during an extended benefit period that began on or before the date described in subparagraph (A).

(b) PANDEMIC EMERGENCY UNEMPLOYMENT COMPENSATION ACCOUNT.—

(1) IN GENERAL.—Any agreement under this section shall provide that the State will establish, for each eligible individual who files an application for pandemic emergency unemployment compensation, an pandemic emergency unemployment compensation account with respect to such individual's benefit year.

(2) AMOUNT IN ACCOUNT.—The amount established in an account under subsection (a) shall be equal to 53 times the individual's average weekly benefit amount, which includes the amount of Federal Pandemic Unemployment Compensation under section 2104, for the benefit year.

(3) WEEKLY BENEFIT AMOUNT.—For purposes of this subsection, an individual's weekly benefit amount for any week is the amount of regular compensation (including dependents' allowances) under the State law payable to such individual for such week for total unemployment plus the amount of Federal Pandemic Unemployment Compensation under section 2104.

(4) COORDINATION OF PANDEMIC EMERGENCY UNEMPLOYMENT COMPENSATION WITH REGULAR COMPENSATION.—

(A) IN GENERAL.—If—

(i) an individual has been determined to be entitled to pandemic emergency unemployment compensation with respect to a benefit year;

(ii) that benefit year has expired;

(iii) that individual has remaining entitlement to pandemic emergency unemployment compensation with respect to that benefit year; and

(iv) that individual would qualify for a new benefit year in which the weekly benefit amount of regular compensation is at least $25 less than the individual's weekly benefit amount in the benefit year referred to in clause (i),

then the State shall determine eligibility for compensation as provided in subparagraph (B).

(B) DETERMINATION OF ELIGIBILITY.—For individuals described in subparagraph (A), the State shall determine whether the individual is to be paid pandemic emergency unemployment compensation or regular compensation for a week of unemployment using one of the following methods:

(i) The State shall, if permitted by State law, establish a new benefit year, but defer the payment of regular compensation with respect to that new benefit year until exhaustion of all pandemic emergency unemployment compensation payable with respect to the benefit year referred to in subparagraph (A)(i).

(ii) The State shall, if permitted by State law, defer the establishment of a new benefit year (which uses all the wages and employment which would have been used to establish a benefit year but for the application of this subparagraph), until exhaustion of all pandemic emergency unemployment compensation payable with respect to the benefit year referred to in subparagraph (A)(i).

(iii) The State shall pay, if permitted by State law—

(I) regular compensation equal to the weekly benefit amount established under the new benefit year; and

(II) pandemic emergency unemployment compensation equal to the difference between that weekly benefit amount and the weekly benefit amount for the expired benefit year.

(iv) The State shall determine rights to pandemic emergency unemployment compensation without regard to any rights to regular compensation if the individual elects to not file a claim for regular compensation under the new benefit year.

(c) PAYMENTS TO STATES HAVING AGREEMENTS FOR THE PAYMENT OF PANDEMIC EMERGENCY UNEMPLOYMENT COMPENSATION.—

(1) IN GENERAL.—There shall be paid to each State that has entered into an agreement under this section an amount equal to 100 percent of the pandemic emergency unemployment compensation paid to individuals by the State pursuant to such agreement.

(2) TREATMENT OF REIMBURSABLE COMPENSATION.—No payment shall be made to any State under this section in respect of any compensation to the extent the State is entitled to reimbursement in respect of such compensation under the provisions of any Federal law other than this section or chapter 85 of title 5, United States Code. A State shall not be entitled to any reimbursement under such chapter 85 in respect of any compensation to the extent the State is entitled to reimbursement under this section in respect of such compensation.

(3) DETERMINATION OF AMOUNT.—Sums payable to any State by reason of such State having an agreement under this section shall be payable, either in advance or by way of reimbursement (as may be determined by the Secretary), in such amounts as the Secretary estimates the State will be entitled to receive under this section for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that the Secretary's estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency of the State involved.

(d) FINANCING PROVISIONS.—

(1) COMPENSATION.—

(A) IN GENERAL.—Funds in the extended unemployment compensation account (as established by section 905(a) of the Social Security Act (42 U.S.C. 1105(a)) of the Unemployment Trust Fund (as established by section 904(a) of such Act (42 U.S.C. 1104(a)) shall be used for the making of payments to States having agreements entered into under this section.

(B) TRANSFER OF FUNDS.—Notwithstanding any other provision of law, the Secretary of the Treasury shall transfer from the general fund of the Treasury (from funds not otherwise appropriated) to the extended unemployment compensation account such sums as the Secretary of Labor estimates to be necessary to make payments described in subparagraph (A). There are appropriated from the general fund of the Treasury, without fiscal year limitation, the sums referred to in the preceding sentence and such sums shall not be required to be repaid.

(2) ADMINISTRATION.—

(A) IN GENERAL.—There are appropriated out of the employment security administration account (as established by section 901(a) of the Social Security Act (42 U.S.C. 1101(a)) of the Unemployment Trust Fund, without fiscal year limitation, such funds as may be necessary for purposes of assisting States (as provided in title III of the Social Security Act (42 U.S.C. 501 et seq.)) in meeting the costs of administration of agreements under this section.

(B) TRANSFER OF FUNDS.—Notwithstanding any other provision of law, the Secretary of the Treasury shall transfer from the general fund of the Treasury (from funds not otherwise appropriated) to the employment security administration account such sums as the Secretary of Labor estimates to be necessary to make payments described in subparagraph (A). There are appropriated from the general fund of the Treasury, without fiscal year limitation, the sums referred to in the preceding sentence and such sums shall not be required to be repaid.

(3) CERTIFICATION.—The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this subsection. The Secretary of the Treasury, prior to audit or settlement by the Government Accountability Office, shall make payments to the State in accordance with such certification, by transfers from the extended unemployment compensation account (as so established) to the account of such State in the Unemployment Trust Fund (as so established).

(e) FRAUD AND OVERPAYMENTS.—

(1) IN GENERAL.—If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure such individual has received an amount of pandemic emergency unemployment compensation under this section to which such individual was not entitled, such individual—

(A) shall be ineligible for further pandemic emergency unemployment compensation under this section in accordance with the provisions of the applicable State unemployment compensation law relating to fraud in connection with a claim for unemployment compensation; and

(B) shall be subject to prosecution under section 1001 of title 18, United States Code.

(2) REPAYMENT.—In the case of individuals who have received amounts of pandemic emergency unemployment compensation under this section to which they were not entitled, the State shall require such individuals to repay the amounts of such pandemic emergency unemployment compensation to the State agency, except that the State agency may waive such repayment if it determines that—

(A) the payment of such pandemic emergency unemployment compensation was without fault on the part of any such individual; and

(B) such repayment would be contrary to equity and good conscience.

(3) RECOVERY BY STATE AGENCY.—

(A) IN GENERAL.—The State agency shall recover the amount to be repaid, or any part thereof, by deductions from any pandemic emergency unemployment compensation payable to such individual under this section or from any unemployment compensation payable to such individual under any State or Federal unemployment compensation law administered by the State agency or under any other State or Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the 3-year period after the date such individuals received the payment of the pandemic emergency unemployment compensation to which they were not entitled, in accordance with the same procedures as apply to the recovery of overpayments of regular unemployment benefits paid by the State.

(B) OPPORTUNITY FOR HEARING.—No repayment shall be required, and no deduction shall be made, until a determination has been made, notice thereof and an opportunity for a fair hearing has been given to the individual, and the determination has become final.

(4) REVIEW.—Any determination by a State agency under this section shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in that manner and to that extent.

(5) STATUTE OF LIMITATIONS.—

(A) IN GENERAL.—Notwithstanding any other provision of law and subject to subparagraph (B), any criminal prosecution or civil enforcement action for a violation of, or conspiracy to violate, section 371, 641, 1028A, 1029, 1341, 1343, 1344, 1349, 1956, or 1957 of title 18, United States Code, or section 3729 or 3801 of title 31, United States Code, with respect to any unemployment compensation claim funded in whole or in part by Pandemic Emergency Unemployment Compensation under this section shall be brought not later than 10 years after the date of the violation or conspiracy.

(B) EXCEPTION.—Subparagraph (A) shall not apply with respect to a criminal prosecution or civil enforcement action if the statute of limitations applicable to such criminal prosecution or civil enforcement action expired prior to the date of enactment of the Pandemic Unemployment Fraud Enforcement Act.

(f) DEFINITIONS.—In this section, the terms "compensation", "regular compensation", "extended compensation", "benefit year", "base period", "State", "State agency", "State law", and "week" have the respective meanings given such terms under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note).

(g) APPLICABILITY.—An agreement entered into under this section shall apply to weeks of unemployment—

(1) beginning after the date on which such agreement is entered into; and

(2) ending on or before September 6, 2021.

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VII. DISSENTING VIEWS

Ways and Means Democrats strongly support bringing to justice the criminals who stole from our unemployment system during the pandemic. We have consistently supported Department of Labor Inspector General Larry Turner as he and his team secured 1,400 convictions and over a billion dollars in court-ordered restitution.

Two years ago, we offered to work with our Republican colleagues to extend the statute of limitations at IG Turner's request. They instead chose to rush to the House floor with legislation that experts said would not correctly extend the statute of limitations but did cut $2 billion from the Department of Labor's fraud-fighting budget and pressure states to investigate and prosecute innocent workers. At that markup, Ways and Means Republicans rejected amendments to protect Social Security recipients, farmers, and parents from this senseless harassment.

We also opposed Republican cuts to the Office of the Inspector General (OIG) budget that forced it to lay off staff and slow its work, which increased the number of cases at risk of not being completed before they reached the statute of limitations.

Less than two weeks before H.R. 1156 was introduced and considered in Committee, President Trump fired IG Turner, along with 16 other Senate-confirmed agency Inspectors General. Inspectors General are primary prosecutors of fraud and instruments of agency accountability to the American people. Just before our markup, the President fired yet another agency watchdog for daring to criticize Administration actions. The silence from our colleagues about the firing of IG Turner, a respected public official that House Republicans were publicly praising just a few weeks before his firing, has been deafening.

This bill would give the OIG five additional years to file charges for alleged fraud in the pandemic UI programs, whether the charges are against a criminal mastermind who used stolen Social Security numbers to steal millions of dollars or a struggling parent who was accidentally overpaid by an overworked state UI system. IG Turner had laid out and was following a clear plan to go after real fraud and criminal rings, not innocent people. His firing, and that of 17 other Senate-confirmed watchdogs, coupled with the flood of career prosecutors quitting rather than obeying illegal orders by the Trump Administration, makes us unsure how the authority would be used.

In addition to the risk of illegal prosecution and harassment, this bill would cut a small but important source of anti-fraud funding at the Department of Labor. Although the funding is technically "unobligated," the Department has been using it to cover costs associated with providing free identity verification tools to states and also providing other technical assistance to states to prevent fraud and ensure timely access to benefits. Cutting that funding might mean it would run out, increasing fraud in the future.

At our markup, Reps. Chu and DelBene tried to offer an amendment to extend the statute of limitations for six months and then provide the extension to 10 years once the President reinstated IG Turner or followed the law to replace him with a Senate-confirmed successor who could be trusted to use additional prosecution power fairly. Republicans refused to allow the amendment to be considered.

We regret that we are unable to support H.R. 1156. However, we are open to Republicans who decide to join us in fighting fraud and protecting American workers.

RICHARD E. NEAL,
Ranking Member.

DISSENTING VIEWS

We held a markup last Congress where this committee looked at unemployment insurance fraud. I offered an amendment then which would have extended that statute of limitations for those who committed unemployment insurance fraud during the pandemic.

Larry Turner, the respected Inspector General of the Department of Labor, who was wrongfully terminated by this administration, made a compelling case to us that it would take his investigators and prosecutors time to investigate and build strong legal cases for some of the worst fraud of the pandemic—sophisticated criminal rings that used stolen identity and bank account information to steal millions, or even billions of taxpayer dollars.

IG Turner and his team also delivered on their promises. They focused on bringing the worst criminals to justice, and have secured 1,400 convictions and over a billion dollars in court-ordered restitution. I'd like to enter the COVID–19 Fraud Enforcement Task Force report into the record. I later withdrew that amendment upon agreement with Chairman Smith that we would work together to address this issue.

Throughout the last two years, Republicans and Democrats came to an agreement: extend the statute of limitations, that's it. It even made it into the Unemployment Insurance Integrity and Accessibility Act, a bipartisan bill negotiated by Crapo-Wyden.

However, while this bill extends the statute of limitations, it rescinds critical funding we provided in the American Rescue Plan that the Department of Labor has been using on an ongoing basis to fund, among other things, free state access to two critical identify verification tools—login.gov and in-person identity verification at the Post Office. These tools are used by the Department of Labor and states to confirm identity and prevent fraud. So, while we are extending the time period for which law enforcement can prosecute those who committed fraud, we are taking away funding to prevent future fraud.

I am disappointed that yet another bipartisan agreement has been walked back by my Republican colleagues.

I cannot support legislation that solves one problem but creates another. I urge my colleague to vote no unless changed.

MIKE THOMPSON.

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